THE HONOURABLE MRS. JUSTICE T. MEENA KUMARI
AND
THE HON'BLE MR. JUSTICE C.V. NAGARJUNA REDDY

WRIT PETITION No. 27134 of 2007

COMMON ORDER:
(Per T. Meena Kumari, J)

The Writ Petition is filed seeking writ of mandamus declaring the action of the 1st respondent in insisting for payment of disputed tax for the assessment year 2001-2002 and for initiating coercive action through impugned Garnishee Proceedings in Form VAT 206 dated 22.11.2007 as illegal and to set aside the same and consequently the petitioner is seeking to restrain the 1st respondent from taking any coercive steps for recovery of the disputed tax pending appeal before the Sales Tax Appellate Tribunal.

The learned counsel for the petitioner submits that the petitioner firm is a Private Limited Company having incorporated under the provisions of Indian Companies Act and registered dealer under the provisions of the APGST and CST Act and is an assessee on the rolls of the 1st respondent herein. The respondents assessed the tax to be paid by the petitioner for the assessment years 1998-99, 2001-2002 and 2002-2003 and 1st respondent issued assessment order dated 22.11.2007 and further 1st respondent also issued garnishee order 22.11.2007 in Form VAT 2006 for recovery of the disputed tax pending appeal before the Sales Tax Appellate Tribunal.

The learned counsel for the petitioner further submits that the appeal filed by the petitioner is still pending adjudication before the Sales Tax Appellate Tribunal. Challenging the garnishee orders, the present Writ Petition has been filed.

The learned counsel for the petitioner further submits that the petitioner would suffer irreparable loss, if the garnishee order is not

suspended.

Heard the learned counsel for the petitioner, the learned Government Pleader for Revenue and the learned Special Standing Counsel for Commercial Taxes.

In view of the facts and circumstances of the case, it would suffice if an interim suspension of the garnishee order is granted subject to condition that the petitioner shall pay 50% of the disputed tax.

Accordingly, the Writ Petition is disposed of. However, there shall be interim suspension of the operation of the garnishee order dated 22.11.2007 issued by the 2nd respondent for the assessment years 1998-99, 2001-2002 and 2002-2003 subject to condition that the petitioner shall pay 50% of the disputed tax for the assessment years 1998-99, 2001-2002 and 2002-2003 within a period of six (6) weeks from today after giving credit to the amount already deposited before the respondents, pending appeal before the before the Sales Tax Appellate Tribunal..

T. MEENA KUMARI, J

C.V. NAGARJUNA REDDY, J

19.12.2007

N.B.
C.C. by 26.12.2007
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CHV